WATER PLAN GRANT PROGRAM

FY 2022-23 ANNUAL REPORT

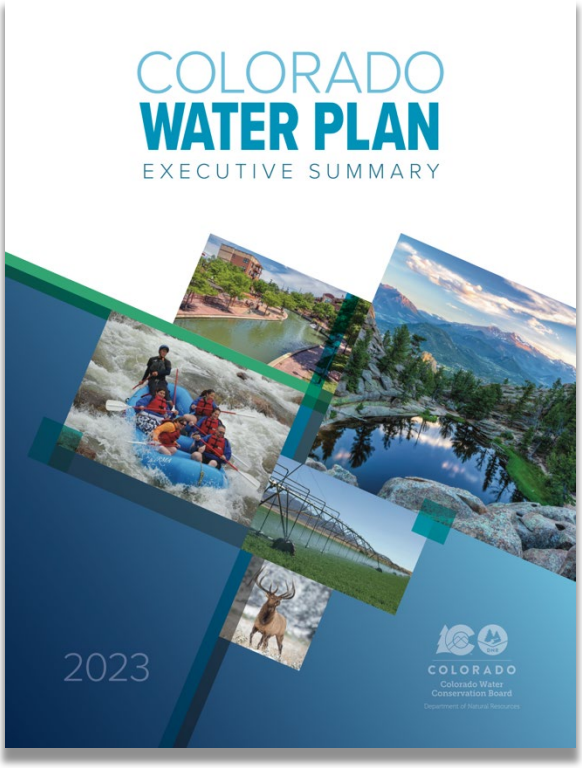
Prepared by the Colorado Water Conservation Board.

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

An Introduction to Water Plan Grants

The Colorado Water Plan provides a comprehensive framework to guide collaborative actions throughout the state. Critical to this goal—is the Water Plan Grant Program, managed by the Colorado Water Conservation Board (CWCB), which provides millions of dollars of funding for projects in five key categories:

- Water Storage & Supply
- Conservation & Land Use
- Engagement & Innovation
- Agricultural Projects
- Watershed Health & Recreation



Water Plan Grants also support the four key action areas of the 2023 Colorado Water Plan: Vibrant Communities, Robust Agriculture, Thriving Watersheds, and Resilient Planning. Funded projects are wide-ranging and impactful to the state, focusing on enhancing water infrastructure, restoring ecosystems, supporting education and community collaboration, boosting water conservation and efficiency, guiding resilient land use planning, and much more.

CWCB staff work hard to distribute Water Plan Grant funds to eligible entities across the state. This team includes four regional grant managers who live and work in the communities they serve. Every river basin in Colorado carries its own unique fingerprint of hydrology and geology, as well as sociocultural differences. Because of these differences, Water Plan grant managers are vitally important liaisons between local communities and the CWCB—making significant contributions to local water management entities far beyond reviewing applications, making funding recommendations, and ongoing oversight of projects.

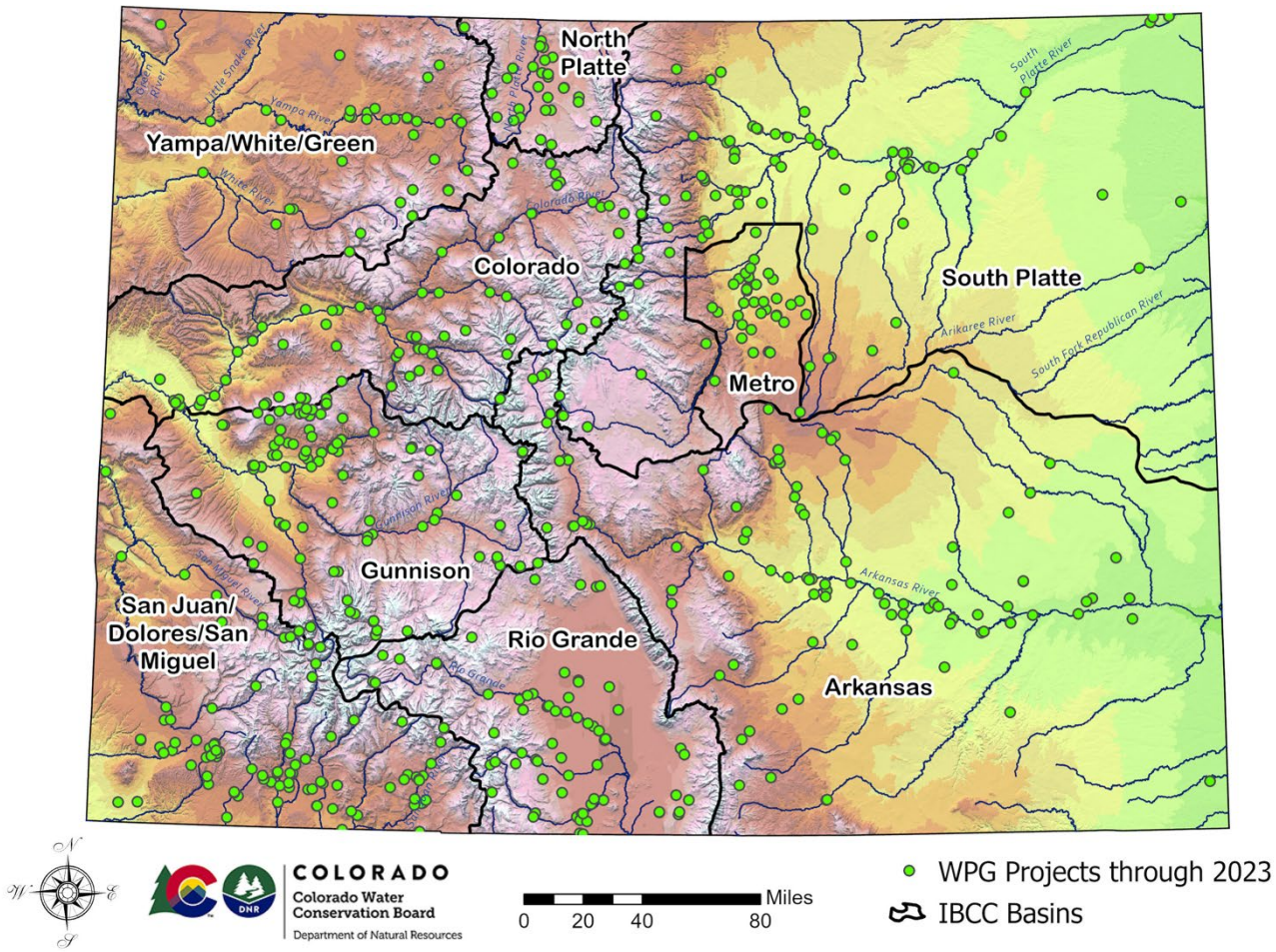
Colorado will continue to face increased challenges from climate change, population growth and changing water demands. The Colorado Water Plan and the Water Plan Grant Program will continue to meet and mitigate our state's most critical water challenges—allowing water partners, agencies, and Coloradans to work together to ensure our Colorado communities, agriculture and environment will continue to thrive for generations to come.

Funding Sources and Background

Prior to the receipt of revenue associated with the passage of H.B. 19-1327 (Authorize and Tax Sports Betting Refer Under Taxpayers' Bill of Rights) and the approval of Proposition DD by voters in November 2019, the Water Plan Grant Program was supported by a series of one-time installments of funding from sources including the General Fund, the CWCB Construction Fund, and state stimulus funding. Sports betting revenues are distributed to agencies in arrears of collection, with over 90 percent of revenue distributed to the Water Plan Implementation Cash Fund in September of the fiscal year following collection by the Department of Revenue. These funds are appropriated in the legislative session following distribution in the CWCB's annual projects bill. Grants are then awarded twice in the fiscal year following appropriation.

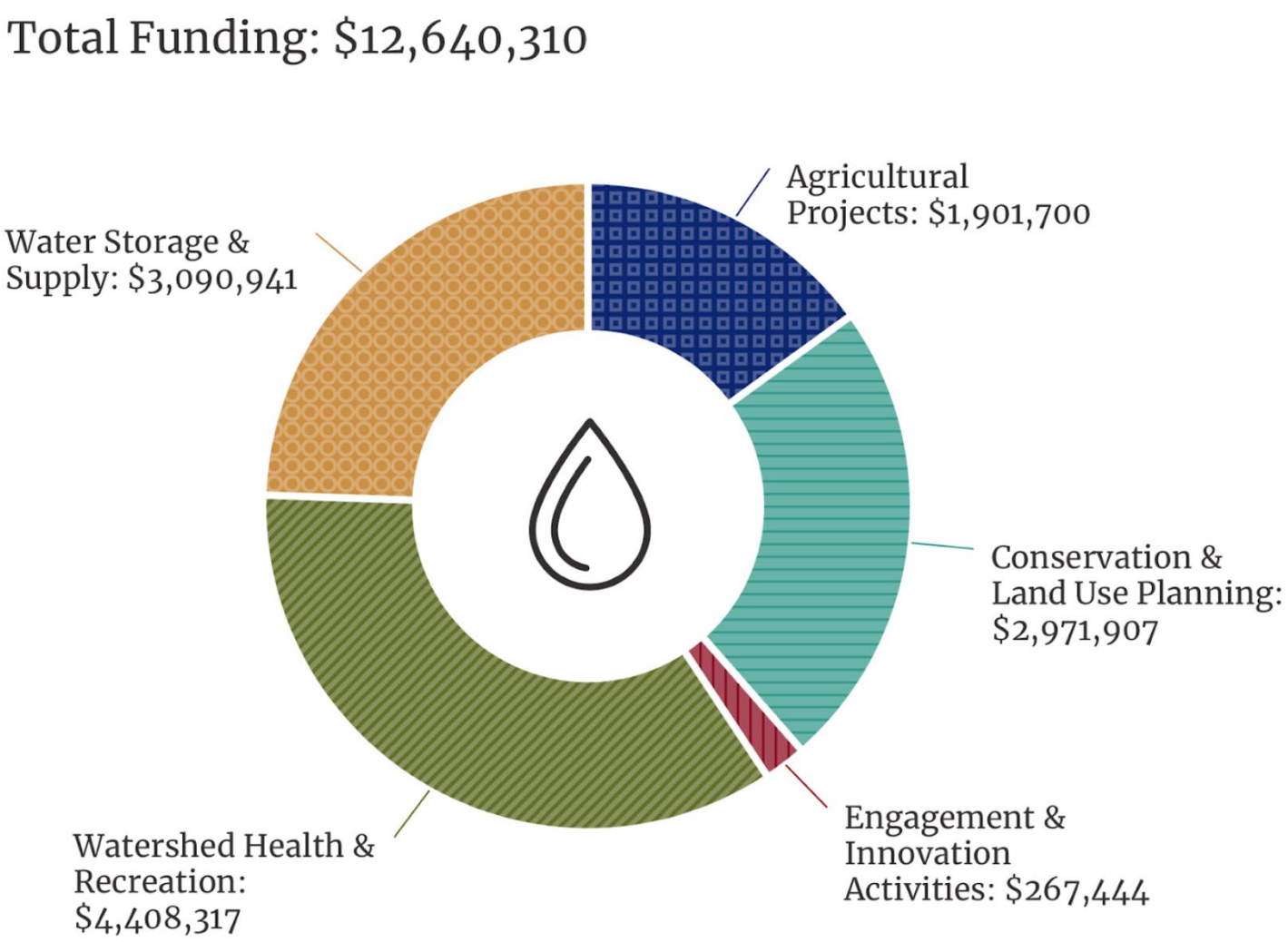
For FY 2023-24 and ongoing, sports betting tax revenue represents a stable and permanent source of funding for the Water Plan Grant Program via the Water Plan Implementation Cash Fund. As of the end of FY 2022-23, the Water Plan Grant Program has issued 386 grants and funded almost $70 million in local projects since it began in FY 2017-18.

Water Plan Grant Project Locations, 2017 - 2023

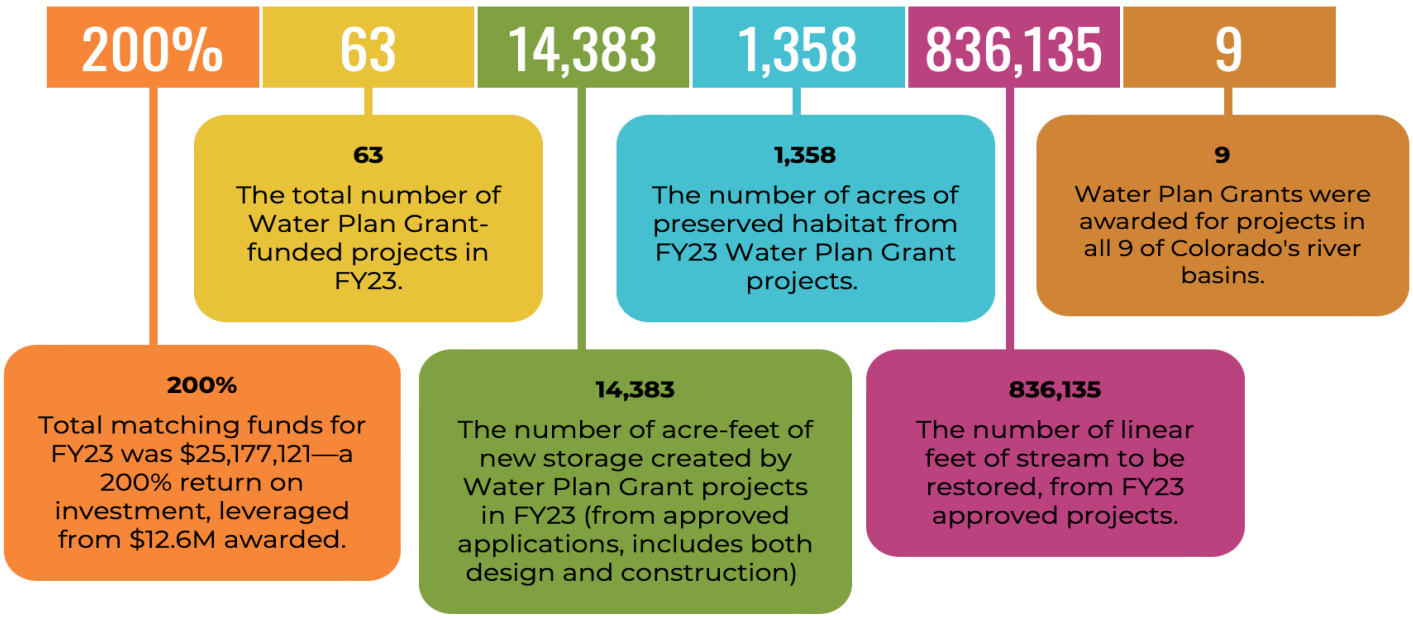


Water Plan Grant Funding by Project Category, FY23

(for accessible text version of these graphics, click here.)



Water Plan Grants By the Numbers



Projects at a Glance

Farmers Union Canal Diversion and Headgate Improvement Project
… will enhance irrigation infrastructure, increase river safety and accessibility, and promote fish passage—benefiting both agriculture and the local environment. This multi-purpose project supports 42,980 irrigated acres, improves aquatic habitat, and ensures a safer and more accessible river for the community.

Efficient Irrigation System Program
…will provide landscape assessments, Qualified Water Efficient Landscaper training, and an Efficient Irrigation System rebate program within the Eagle County Conservation District. By providing technical assistance through landscape assessments and irrigation audits as well as providing financial assistance to fix issues identified through the irrigation audits, the program aims to reduce usage by more than 4 acre-feet in 3 years.

Understanding Water Use in Mobile Homes
…will support water conservation in mobile home parks in Colorado Springs, Thornton, and Fountain by conducting in-home repairs, researching water-saving opportunities, and addressing equity issues. By collaborating with key partners and aligning with state and local water plans, this initiative contributes to closing the municipal water demand gap, fostering community empowerment and inclusivity.

Next Generation Water Leaders Program
…will expand water education for high-school students in the Arkansas Basin and eight Southwest Colorado school districts, fostering future water leaders. This initiative, in collaboration with volunteer groups and educational institutions, will provide students with a strong educational foundation, offering certification in water-related workforce skills and preparing them for careers in water management and conservation.

Grand Valley River Corridor Initiative – River Planning Project
…will enhance coordination and planning for the Colorado and Gunnison Rivers in Mesa County, recognizing their significance to the local economy, culture, and ecology. The 2023-2025 RCI River Planning Project will evaluate river health, conservation efforts, and flow management, emphasizing the importance of collaborative efforts in ensuring the long-term well-being of these vital resources for the community.

Southmoor Drive Channel and Floodplain Restoration
…addresses the severe erosion of a 45-foot high cutbank along Fountain Creek, which poses risks to Southmoor Drive and negatively impacts the surrounding community. By implementing a natural-channel solution, the project will stabilize the bank, reduce sediment contributions, and promote riparian and floodplain habitat restoration.

Standley Lake Spillway Raise Evaluation
…uses new hydrologic data to safely raise the water surface elevation and assess infrastructure modifications for the Standley Lake State Park. The Farmers Reservoir and Irrigation Company is conducting a feasibility analysis to increase the storage capacity of Standley Lake by raising the spillway, enhancing the reservoir's capacity for supplying water to surrounding communities.

Intermountain West Alternative Forages Project
…will explore the feasibility of using less water-intensive forages—such as sainfoin, sunflower, and intermediate wheatgrass—in the Upper Colorado River basin, to support more sustainable agricultural operations. The project hopes to produce valuable data, best practices, and recommendations for water-efficient forage crops in the region.

Water Storage & Supply	Conservation & Land Use	Engagement & Innovation	Agricultural Projects	Watershed Health &

Spotlight on a Project Milestone

CWCB-funded project: Reducing Non-Functional Turfgrass in New Development Through Smart Land Use Planning

Broomfield update: WaterNow Alliance and Western Resource Advocates (WRA) supported the City and County of Broomfield in creating a new water efficient landscape ordinance to reduce outdoor water demand in new development and redevelopment. This ordinance will ensure Broomfield's water supply is more resilient to better withstand future droughts and impacts from climate change. The project completed several phases over the course of 2023:

- **Phase 1:** WaterNow/WRA provided input on a draft Landscape Ordinance, April - May 2023.
- **Phase 2:** Broomfield held community and stakeholder engagement meetings, May - July 2023.
- **Phase 3:** WaterNow/WRA developed a communication and engagement strategy, April - Sept 2023
- **Phase 4:** Broomfield staff in presented the proposed landscape ordinance to City Council, July 2023.
- **Phase 5:** WaterNow/WRA continued supporting Broomfield staff in the final public hearing in Sept 2023, and the new ordinance was published in the City and County Broomfield Municipal Code.

Project Feature Stories

Inspiring the Next Generation of Water Leaders: One 5th Grader at a Time

On September 20, 2023, a group of 5th grade students huddled around a table, eyeing buckets filled with salt- and freshwater, excitedly grasping different objects like small toys. An instructor stood close-by, as the students made hypotheses about whether the objects would sink or float. This was just one of many water education activities at the annual South Platte Children's Water Festival at Logan County Fairgrounds in Sterling, Colorado. Water experts from around the state gathered to support hundreds of young minds in learning the importance and complexity of water issues in Colorado.

"These children will become the next generation of water leaders," said Craig Brownell, District Technician at the Lower South Platte Water Conservancy District. "It's important that these kids get an understanding of water issues at a young age, and then they can go home and tell their siblings, other schoolmates, their parents, and share what they learn."

The South Platte Children's Water Festival hosted 565 5th grade students across 13 schools and 4 counties. The event featured 22 different water-related presentations from organizations like Northern Water, the Colorado Department of Public Health and Environment, Colorado Rural Water Alliance, Nature's Educators, the CU Boulder Science Discovery Center, and many others. The hand-on presentations and activities covered topics across the spectrum—from irrigation to the water cycle to water quality.

Funding from Water Plan Grants opened up new possibilities for the Water Festival. "Many schools attending the event were small, and wouldn't normally be able to provide transportation for field trips—this funding makes water education accessible by covering busing costs and other expenses that schools may not be able to afford," said Brownell.

The organizers hope the festival will continue indefinitely as an annual event, providing an impactful and fun opportunity to instill in students a lasting appreciation for water in Colorado.

A Win-Win for Ecosystem and Agriculture: The Little Cimarron River Fish and Flow Bypass

For years, fish species like brook and rainbow trout have struggled to make it through the Collier Ditch Dam on the Little Cimarron River. Irrigation diversions and aging infrastructure mean fish populations aren't able to successfully migrate to their spawning locations. But in roughly one year, this will no longer pose a problem—thanks to a new fish and flow bypass installation.

"This is an upgrade to irrigation infrastructure that allows the environment and agriculture to work together—to provide benefits to all water users," said Tony LaGreca, Stewardship Manager for Colorado Water Trust. Farmers and fish alike benefit from this new construction.

CWCB awarded a Water Plan Grant of $203,240 to Colorado Water Trust for this project. The retrofit will not only improve fish passage and provide in-stream flows—but also upgrade aging infrastructure for productive lands in western Colorado. The Water Trust has partnered with the shareholders on the Collier Ditch to build a natural rock ramp that will allow fish to easily swim through—while also maintaining irrigation for farmers nearby to grow important crops.

The project has been in the works since 2010, when water rights were first acquired, but infrastructure upgrades were needed to fully realize the goals. Once complete, this project will allow the purchased in-stream flow water rights to benefit the fish habitat as intended.

"We haven't been able to run our project in part because of the infrastructure that we've needed to upgrade. When this is completed, we will be able to run our project, which is very exciting—we haven't been able to help the fish for a very long time," said LaGreca. After many years in the making, these win-win improvements will support both a thriving environment and continued productive agriculture.

Project Q&A

The Rio Grande National Forest Wet Meadows Restoration Project:

A Q&A with restoration project staff: executive director Daniel Boyes, stewardship coordinator Connor Born, and administrative director Emma Reesor

Q: This project aims to restore habitat in the Rio Grande National Forest. Can you give us an overview of this ecosystem?

A: The Rio Grande National Forest is unique because it sits at a high elevation, and the headwaters of the Rio Grande have historically supported wet meadows. These ecosystems are connected to wet meadows. We are finding ecosystems and streams that have become disconnected from those habitats, or are in the process of disconnecting, and restoring them to hopefully re-wet them to provide those ecosystem services and have a critical habitat. Another unique part of this project is that it is a direct partnership with the staff there at the Rio Grande National Forest. We have a really close connection. We identified the need and want for restoration on higher elevation, headwater streams, high order streams. The better the health of the national forests, those ecosystem benefits get passed down to downstream stakeholders. Our planning effort specifically was the Rio Grande, upper Rio Grande assessment. That really came about after understanding that the health of the main stem of the Rio Grande and the main stem of the Conejos is really dependent on the health of these higher order smaller tributaries. We also worked with the Forest Service doing some additional assessments to really hone in on areas that can have the greatest benefit and impact for beaver, but also for Rio Grande cutthroat trout.

Q: What threats do these species face?
A: For beavers, there's a lack of presence in the forest where there was a historic presence. The hope is that by restoring some of these wet meadow complexes, many of which are former beaver complexes, and getting them to a more re-wetted state, that beaver can re-occupy those habitats. In terms of climate change impacts to wildlife, Rio Grande cutthroat trout and Rio Grande suckers are both species that, because they largely occupy smaller streams, in drought conditions they can really suffer from low flow conditions that have high temperature issues and lack of complex habitat. By restoring these wet meadow systems we can add increased habitat complexity, good pool habitat, refuge habitat for nursery, and mitigate those temperature fluctuations that can happen with lower flow conditions. One of our partners with Trout Unlimited has a statistic that shows how much cutthroat trout are impacted: the species only occupies about 11% of their historic range. So these small stream systems are very susceptible and vulnerable to climate change impacts and wildfire impacts.

Q: How is this project going to restore this ecosystem and support these species?
A: We're practicing process based restoration, which means using natural materials within the stream to restore natural system processes that have been lost due to habitat degradation. That includes overtopping and accessing the floodplain during higher flow conditions as well as slowing water down to prevent incision in areas that would normally be sort of wanting to collect sediment and deposit it. We are trying to recreate historical wet meadows that would slow the flow and drop sediment to create space for riparian vegetation and fish to flourish. Sometimes this includes adding woody debris into the channel itself. Oftentimes that means pounding posts and creating log structures that are essentially beaver dam analogs.

Q: What's the timeline of the project?
A: We started in 2020 with a pilot structure and have been working pretty consistently up to now. The project that involves CWCB funds is going to start next year. It'll really get going next summer and fall, and we expect to be wrapping up around fall 2025.

Q: How critical is CWCB Water Plan Grant funding to this project?
CWCB Water Plan Grants have provided critical matching funds that allowed us to also apply for funding through the National Fish and Wildlife Foundation. Without this, we wouldn't have had the resources to be able to provide that match. With these grants working together, it allowed us to increase the scale and effectiveness of the project: we were able to include money for monitoring, site identification, additional prep, etc, that wouldn't have been possible without the Water Plan Grant.

Q: What important collaborations make this project possible?
A: Our biggest partner is Rio Grande National Forest and the staff there, in terms of capacity and the ability to help out on the ground with planning and site identification, and permitting, and the boots-on-the-ground construction. Trout Unlimited is another important partner going forward because we're doing this work focused on prioritizing cutthroat trout streams and habitat. And volunteers from Outdoor Colorado and the Southwest Conservation Corps provide more capacity for building the structures themselves. Colorado Parks and Wildlife has been a good partner as well, allowing for better site identification.

Q: What are you most excited about for this project?
A: There's so much depressing news about the impacts of climate change, so these projects are exciting because they are accessible, you can see the impacts. You can physically see the impact on the streamflow conditions after restoration—and the impact on important species. We're also thinking a lot about how we can mitigate the potential impacts of a changing climate and potential wildfires in our basin. This project also presents an opportunity to learn together, to connect and share these lessons and to have that conversation with other watershed groups and other areas that are learning too. The Rio Grande basin is unique: a lot of these headwater streams are the source water for the communities below. So it gives us a lot of hope that these types of small tributary streams can collectively have a positive impact on the community downstream.

Water Plan Grant FAQs

Who can apply?

- Governmental entities: municipalities, districts, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities.
- Covered entities as defined in Section 37-60-126, C.R.S., are eligible if the applicant has adopted an approved water conservation plan.
- Private entities: mutual ditch companies, non-profit corporations, and partnerships.
- For a full list of FY23 WPG projects, see this link.

How can the money be used?

- Examples of eligible projects and activities:
  - Technical assistance regarding permitting, feasibility studies, and environmental compliance.
  - Studies or analysis of structural, programmatic, consumptive, and non-consumptive water projects or activities.
  - Design of structural projects or activities.
  - Activities that promote education, outreach, and innovation consistent with the mission and goals of the Colorado Water Plan.
  - Researching and demonstrating methods to improve agricultural drought resilience.

How can I apply?

- Applicants must submit application materials through the CWCB portal (July 1 and December 1 deadlines).
- Review these Partner Actions. How does the project advance Colorado Water Plan goals?
- Visit cwcb.colorado.gov/funding/colorado-water-plan-grants for more information.
- Reach out to your Regional Water Plan Grant Manager for pre-application questions.

To learn more or if you have questions, please email waterplan.info@state.co.us, call 303-866-3441 or visit the Colorado Water Conservation Board website at, https://cwcb.colorado.gov.

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